This record is a partial extract of the original cable. The full text of the original cable is not available.

041011Z Nov 03

CONFIDENTIAL ANKARA 006860

SIPDIS

STATE FOR EUR/SE, NEA/IR-RAPHEL, NEA/FO-TAYLOR NSC FOR BRYZA AND MCKIBBEN TREASURY FOR OASIA JLEICHTER AND MMILLS

E.O. 12958: DECL: 11/03/2013
TAGS: <u>EAID EFIN IZ PGOV PREL TU</u>
SUBJECT: TURKEY AND DONOR STRATEGIES FOR AFGHANISTAN, IRAQ

REF: STATE 303818

Classified by A/ECON Andrew Snow for reasons 1.5 (b) and (d)

11. (C) SUMMARY: According to Turkey's Coordinator for Afghan and Iraq Assistance Ambassador Okcun, Turkey takes very seriously its commitments to Afghan and Iraq Reconstruction. Turkey has already fulfilled its USD 5 million commitment for Afghanistan and is eager to disburse its USD 50 million pledge for Iraq. Okcun was disappointed by the "shameful" lack of financial support of donors at Madrid. END SUMMARY.

Afghan Assistance

12. (C) Econoff met with/delivered reftel talking points to Ambassador Okcun, who said Turkey agrees with the initiative to accelerate assistance to Afghanistan and reported that Turkey had already exceeded its Tokyo pledge of USD 5 million to Afghanistan. He added that the GOT did not want to stop there and was considering an additional USD 5 million. He confirmed that Economy Minister Babacan had made this offer to Treasury Secretary Snow when they met at the G-20 meeting in Mexico. Okcun was optimistic that Turkey could get the money but would not know right away because the proposal must be approved by the government and Parliament for next year's budget.

Madrid Donors' Conference

13. (C) Okcun confirmed that Turkey had increased its pledge to USD 50 million. He was disappointed by the "shameful" pledges of many other countries, and estimated that new cash grants (excluding the U.S. pledge, loans and other double counting) totaled only USD 3.8 billion. On this basis, Turkey, a country with tight budget constraints and a low

standard of living, ranked 14th among the donors.

14. (C) Okcun said that the donor delegations were confused about the organization of assistance for Iraq, especially the Multi-Donor Fund. He said Turkey would focus on bilateral programs, earmarking only a fraction for the MDF. The GOT was already reviewing project proposals and assessing them against the World Bank Needs Assessment. However, he said that Turkey and other donors do not know who they should consult with in Baghdad and will need more central direction from Iraqi authorities in order to avoid duplication of effort, address Iraq's priority needs and ensure that bilateral donor contributions fit into the overall scheme for reconstruction. Embassy would appreciate guidance about donor coordination for Iraq.

Madrid Private Sector Meeting

- 15. (U) Okcun said that Turkey was encouraged by the turnout for the private sector session. However, he said that Turkish businesses were reluctant to do more because of growing security concerns. Many Turkish truck drivers will no longer travel beyond Mosul, he reported.
- 16. (U) Baghdad and Kabul minimize considered. EDELMAN